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RENEWABLE ENERGY AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John Knotwell

Senate Sponsor: _____

LONG TITLE

General Description:

This bill addresses the basis of setting rates for solar photovoltaic or thermal solar energy facilities.

Highlighted Provisions:

This bill:

- ▶ permits a qualified utility to apply to the commission for approval of a rate adjustment clause to acquire or construct a photovoltaic or thermal solar energy resource using a rate based on the prevailing market for solar energy projects under certain circumstances;
- ▶ addresses exemptions from certain provisions;
- ▶ prescribes requirements for the application;
- ▶ allows for public hearing and comments; and
- ▶ provides for rulemaking authority.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

57-17-807, Utah Code Annotated 1953



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Be it enacted by the Legislature of the state of Utah:

Section 1. Section **57-17-807** is enacted to read:

57-17-807. Solar photovoltaic or thermal solar energy facilities.

(1) A qualified utility may file an application with the commission for approval of a rate adjustment clause to acquire or construct a photovoltaic or thermal solar energy resource using a rate based on the prevailing market for solar energy project resources in lieu of a cost of service model.

(2) The energy resource acquired or constructed pursuant to this section may be owned solely or jointly by a qualified utility:

(a) to provide renewable energy to a contract customer as provided in Section [54-17-803](#);

(b) used to serve energy to a qualified utility customer as provided in Section [54-17-806](#);

(c) used to serve energy to any other customer of the qualified utility if the proposed energy resource is not a significant energy resource as defined in Section [54-17-102](#); or

(d) including a significant energy resource as defined in Section [54-17-102](#), subject to Chapter 17, Energy Resource Procurement Act.

(3) Except as provided in Subsection (2)(d), the following do not apply to an application submitted under Subsection (1):

(a) Part 1, General Provisions;

(b) Part 2, Solicitation Process;

(c) Part 3, Resource Plans and Significant Energy Resource Approval;

(d) Part 4, Voluntary Request for Resource Decision Review; and

(e) Section [54-17-502](#).

(4) To establish the prevailing market for solar energy project resources, the application described in Subsection (1) shall include:

(a) a proposed solicitation process for the energy resource; and

(b) the criteria used for the solicitation as determined:

(i) by the customer, if the energy resource is sought to serve a customer pursuant to Subsections (2)(a) and (b); or

59 (ii) by the qualified utility, if the energy resource is sought to serve the customers of
60 the qualified utility.

61 (5) Before approving the solicitation process under this section, the commission may:

62 (a) hold a public hearing; and

63 (b) provide an opportunity for public comment.

64 (6) Upon completion of the solicitation process approved under Subsection (4), the
65 qualified utility may submit to the commission for approval an energy resource:

66 (a) (i) identified through the solicitation process; or

67 (ii) identified by the qualified utility; and

68 (b) that meets the requirements provided in Subsection (4).

69 (7) A qualified utility may enter into a short-term or long-term power purchase contract
70 for the energy derived from the energy resource approved under this section before purchasing
71 the energy resource.

72 (8) The commission shall adopt rules, in accordance with Title 63G, Chapter 3, Utah
73 Administrative Rulemaking Act:

74 (a) addressing the content and filing of an application under this section; and

75 (b) to establish the criteria used to determine the prevailing market.

Legislative Review Note
Office of Legislative Research and General Counsel